

BUDGET OF THE U.S. GOVERNMENT

FISCAL YEAR 2022

OFFICE OF MANAGEMENT AND BUDGET



THE WHITE HOUSE
WASHINGTON

Exhibit F

home- and community-based services for older people and people with disabilities and strengthening the workforce that provides this vital care. The American Families Plan makes permanent the American Rescue Plan's expansion of premium tax credits and makes a historic investment to improve maternal health and mortality.

Beyond these steps, the President also calls on the Congress to take action this year to reduce prescription drug costs and to further expand and improve health coverage. The President's healthcare agenda in these areas includes the following additional policies:

Lowering the Costs of Prescription Drugs. The President supports reforms that would bring down drug prices by letting Medicare negotiate payment for certain high-cost drugs and requiring manufacturers to pay rebates when drug prices rise faster than inflation. These reforms would lower drug costs and save money for Medicare beneficiaries and people with job-based insurance. The reforms could also yield over half a trillion in Federal savings over 10 years, which could help pay for coverage expansions and improvements.

Improving Medicare, Medicaid, and ACA Coverage. Medicare, Medicaid, and the ACA marketplaces provide critical coverage to tens of millions of Americans, but should be strengthened through measures like improving access to dental, hearing, and vision coverage in Medicare, making it easier for eligible people to get and stay covered in Medicaid, and reducing deductibles

for marketplace plans. The President also supports eliminating Medicaid funding caps for Puerto Rico and other Territories while aligning their matching rate with States (and moving toward parity for other critical Federal programs including Supplemental Security Income and the Supplemental Nutrition Assistance Program). Further, evidence shows that we can reform Medicare payments to insurers and certain providers to reduce overpayments and strengthen incentives to deliver value-based care, extending the life of the Medicare Trust Fund, lowering premiums for beneficiaries, and reducing Federal costs.

Creating Additional Public Coverage Options. The President supports providing Americans with additional, lower-cost coverage choices by: creating a public option that would be available through the ACA marketplaces; and giving people age 60 and older the option to enroll in the Medicare program with the same premiums and benefits as current beneficiaries, but with financing separate from the Medicare Trust Fund. In States that have not expanded Medicaid, the President has proposed extending coverage to millions of people by providing premium-free, Medicaid-like coverage through a Federal public option, paired with financial incentives to ensure States maintain their existing expansions.

Healthcare is a right, not a privilege. Families need the financial security and peace of mind that comes with quality, affordable health coverage. In collaboration with the Congress, the President's healthcare agenda would achieve this promise.